

U.S. Department of Education

**Staff Report
to the
Senior Department Official
on
Recognition Compliance Issues**

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| RECOMMENDATION PAGE |
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1. **Agency:** Commission on Accreditation of Healthcare Management Education (1970/2007)
(The dates provided are the date of initial listing as a recognized agency and the date of the agency's last grant of recognition.)
2. **Action Item:** Petition for Continued Recognition
3. **Current Scope of Recognition:** The accreditation throughout the United States of graduate programs in healthcare management.
4. **Requested Scope of Recognition:** Same as above.
5. **Date of Advisory Committee Meeting:** June, 2013
6. **Staff Recommendation:** Continue the agency's current recognition and require the agency to come into compliance within 12 months, and submit a compliance report that demonstrates the agency's compliance with the issues identified below.
7. **Issues or Problems:** It does not appear that the agency meets the following sections of the Secretary's Criteria for Recognition. These issues are summarized below and discussed in detail under the Summary of Findings section.
 - The agency must demonstrate that it has and applies policies that ensure that a public representative is represented on all appeal panels. [§602.15(a)(5)]
 - The agency must provide the final policy that conforms with the recordkeeping requirements of this section, particularly as it applies to subsection (2) of this section. [§602.15(b)]

- The agency must provide evidence of the final policy ensuring that decision-makers have and adhere to policies to ensure that decision-makers have access to the full record, to include the self study and supporting documentation, prior to reaching a decision. [§602.17(e)]
- The agency must provide evidence of its review, analysis, and follow-up of annual reports when programs do not meet the agency's thresholds for completion and job placement. [§602.19(b)]
- The agency must provide final procedures for its approach to monitoring enrollment growth. [§602.19(c)]
- The agency must remove its policy and cease its practice of granting initial accreditation to programs who do not meet all of the agency's standards. [§602.20(a)]
- The agency must provide evidence that it has and applies compliant enforcement action policies within the specified time frame. [§602.20(b)]
- The agency must provide a final policy that recognizes the right of a program to employ counsel to represent the program during an appeal. The agency must also ensure that it has educators, practitioners, and public representatives on its appeal panel in accord with requirements for a decision-making body, and modify its appeals policy to incorporate these compositional requirements. [§602.25(f)]
- The agency must ensure that it has and adheres to compliant policies regarding the provision of a brief summary to the required entities for adverse decisions. [§602.26(d)]

EXECUTIVE SUMMARY

PART I: GENERAL INFORMATION ABOUT THE AGENCY

The Commission on Accreditation of Healthcare Management Education (CAHME) was founded in 1968 by several professional health-related organizations, and was formerly known as the Accrediting Commission on Education for Health Services Administration (ACEHSA). The agency adopted its current name in October 2004 and revised its scope of recognition in 2007 from “health services administration” to “healthcare management” to reflect the name change.

CAHME accreditation enables the programs it accredits to award increased amounts of unsubsidized Stafford Loans through the Department's direct loan program to health professions. CAHME accreditation also allows its programs to establish eligibility to participate in non-HEA Federal programs, such as tuition benefit programs for military students offered by the U.S. Department of Veterans Affairs (VA). Graduate students in CAHME-accredited programs in healthcare management are also eligible to participate in VA fellowship programs.

CAHME accredits 77 master's degree programs in healthcare management education in universities throughout the United States, Puerto Rico and the District of Columbia.

In preparing the current review of the agency for continued recognition, Department staff reviewed the agency's petition and supporting documentation, and observed an Accreditation Council meeting in Arlington, VA on April 19-20, 2013.

Recognition History

CAHME was first recognized in 1970 and the agency's recognition has been periodically reviewed and continued recognition has been granted after each subsequent review.

The agency's most recent grant of recognition was for a period of five years in May 2007.

PART II: SUMMARY OF FINDINGS

§602.15 Administrative and fiscal responsibilities

The agency must have the administrative and fiscal capability to carry out its accreditation activities in light of its requested scope of recognition.

The agency meets this requirement if the agency demonstrates that--

(a) The agency has--

(5) Representatives of the public on all decision-making bodies; and

The agency's written policy for representatives of the public conforms with the Secretary's criteria and the agency has provided evidence of its application with resumes of its public members. However, the resumes are not sufficient evidence of the public members' meeting all aspects of the Secretary's definition, including the affiliations of the member's spouse, child, etc. In addition, the agency's policies do not require that an appeals panel include a public representative. As a decision-making body, such representation is required under the Secretary's criteria.

Analyst Remarks to Response:

The agency has provided completed forms from its public representatives that attest that they adhere to the Secretary's definition for representatives of the public.

The agency has stated under section 602.25(f) that it will amend its policy on appeal panels to ensure that a public representative is represented on all appeal panels.

(b) The agency maintains complete and accurate records of--

(1) Its last full accreditation or preaccreditation reviews of each institution or program, including on-site evaluation team reports, the institution's or program's responses to on-site reports, periodic review reports, any reports of special reviews conducted by the agency between regular reviews, and a copy of the institution's or program's most recent self-study; and

2) All decisions made throughout an institution's or program's affiliation with the agency regarding the accreditation and preaccreditation of any institution or program and substantive changes, including all correspondence that is significantly related to those decisions.

The agency's records retention policy does not make clear that it maintains complete and accurate records of all decisions in accordance with subsection (2) of this section. The way the agency's policy is written suggests that decisions made throughout the program's affiliation with the agency, including all correspondence significantly related to those decisions, are only retained for two cycles. The agency must ensure that it has and adheres to policies that conform with the Secretary's criteria for maintaining complete and accurate records.

Analyst Remarks to Response:

The agency has stated in its response that it does - in practice - retain all the decisions and correspondence stipulated under subsection (2) of this section. The agency states its intention to recommend that the Board formally codify its practices into policy in accord with the requirements of this section. The agency must provide the final policy that conforms with the recordkeeping requirements of this section, particularly as it applies to subsection (2) of this section.

§602.17 Application of standards in reaching an accrediting decision.

The agency must have effective mechanisms for evaluating an institution's or program's compliance with the agency's standards before reaching a decision to accredit or preaccredit the institution or program. The agency meets this requirement if the agency demonstrates that it--

(e) Conducts its own analysis of the self-study and supporting documentation furnished by the institution or program, the report of the on-site review, the institution's or program's response to the report, and any other appropriate information from other sources to determine whether the institution or program complies with the agency's standards; and

The agency has procedures for ensuring that decision-makers receive an accreditation history, a draft site visit report (amended by the Accreditation Council, as applicable), and the program's response to the site visit report prior to making a decision as elucidated in its policy manual. The agency also has a process by which the CEO of CAHME appoints a reader to review the information in the site visit report and present his/her conclusions to the Accreditation Aouncil. The agency's policy states that the reader will not have participated in the site visit or have a conflict of interest with the program. However, it is not clear from the agency's policy what other role, if any, the reader may fill, such as staff member, a member of the Accreditation Council, or a trained site reviewer. Staff notes that the the narrative for section 602.18(b) states that it is a member of the Accreditation Council who serves in the reader role. The agency should clarify this in its written policy.

The agency must also ensure that it has and adheres to policies that ensure that

decision-makers have access to the full record, to include the self study and supporting documentation, prior to reaching a decision.

Analyst Remarks to Response:

The agency has stated in its response that it will make policy changes to ensure that the Accreditation Council reader and the Board of Directors have access to the full record including the program's self study and supporting documents prior to reaching a decision.

§602.19 Monitoring and reevaluation of accredited institutions and programs.

(b) The agency must demonstrate it has, and effectively applies, a set of monitoring and evaluation approaches that enables the agency to identify problems with an institution's or program's continued compliance with agency standards and that takes into account institutional or program strengths and stability. These approaches must include periodic reports, and collection and analysis of key data and indicators, identified by the agency, including, but not limited to, fiscal information and measures of student achievement, consistent with the provisions of §602.16(f). This provision does not require institutions or programs to provide annual reports on each specific accreditation criterion.

The agency has a process by which it requires programs to complete an annual report that collects data on measures of student achievement to include the agency's triggers for completion and job placement. Programs also provide information regarding any major changes in the program's faculty and/or leadership, curriculum, enrollment, organizational setting, or administrative/fiscal support. As stated in the agency's narrative, most of the agency's accredited programs are not provided with separate budgets and therefore, the agency collects data regarding any perceived changes in the program's fiscal support.

The agency has provided evidence of its summary of annual reports and evidence that it conducts interim site visits as part of its monitoring process. The agency conducts interim site visits as a result of triggered annual reports, but states that it has not had occasion to apply its policy since the last review of continued recognition.

Though the agency has provided evidence of its review and analysis of data on measures of student achievement, it is not clear what follow-up the agency conducted as a result of its review since it has stated in its narrative that no interim visits were necessary to programs. However, the data provided by the agency suggests that some programs did not meet the agency's thresholds. More information is needed regarding the agency's review, analysis, and follow-up with programs in response to the annual report.

Analyst Remarks to Response:

The agency has stated in its response that it is in the process of revamping its monitoring of programs with the employ of its new e-accreditation system which will allow the agency to better monitor graduation and job placement rates. The agency has stated that it is engaged in continued discussion regarding its future course with respect to monitoring.

(c) Each agency must monitor overall growth of the institutions or programs it accredits and, at least annually, collect headcount enrollment data from those institutions or programs.

Though the agency has policies that require it to collect annual headcount enrollment data from its programs, it is not evident how the agency analyzes such data. The agency has provided a summative analysis of enrollment for all of its accredited-programs, but it is not evident that the agency analyzes enrollment data program-by-program. It is also not clear what would trigger additional review for a program's enrollment growth.

Analyst Remarks to Response:

The agency has stated that it will be better equipped to analyze such data with the launch of its new "e-accreditation" system which will track enrollment growth program-by-program and allow the agency to set and follow-up with enrollment growth triggers. The agency must provide final procedures for its approach to monitoring enrollment growth.

§602.20 Enforcement of standards

(a) If the agency's review of an institution or program under any standard indicates that the institution or program is not in compliance with that standard, the agency must--

(1) Immediately initiate adverse action against the institution or program; or

(2) Require the institution or program to take appropriate action to bring itself into compliance with the agency's standards within a time period that must not exceed--

(i) Twelve months, if the program, or the longest program offered by the institution, is less than one year in length;

(ii) Eighteen months, if the program, or the longest program offered by the institution, is at least one year, but less than two years, in length; or

(iii) Two years, if the program, or the longest program offered by the institution, is at least two years in length.

The agency appears to have a compliant written policy that requires programs to come into compliance with the agency's standards within two years or be subject to an adverse action. However, the agency's progress report guidelines state that it will "shorten the accreditation cycle" of a program that remains non-compliant with the agency's standards; it appears that this policy contradicts the agency's other policy to subject a program to an adverse action if good cause is not warranted. It is not clear how the agency applies its enforcement timelines under this section provided these conflicting policies. The agency has provided one-year progress reports, and subsequent letters requesting an 18-month progress report from programs that had not yet come into compliance with the one-year progress report. The letters state the agency's requirement for programs to come into compliance within the two-year timeframe.

Of further concern is the agency's policy Article 16A, Section 2, which states that programs may be granted initial accreditation without having met all the agency's standards. This is not an "accredited" status as defined by the Secretary under section 602.3, nor is the agency recognized for preaccreditation. The agency must cease its practice of granting initial accreditation to programs that do not meet the agency's standards and must remove the policy from its manual.

Analyst Remarks to Response:

The agency states in its response that it retains both its policies regarding "shortening the length of the accreditation cycle" and subjecting a program to an adverse action, even though the latter may render the former moot. It appears that the agency uses the shortening of the accreditation cycle as a punitive measure to relay its heightened concerns to the program. However, from the agency's response, the shortened accreditation cycle has no bearing on the agency's adherence to the two-year timeline if it needs to initiate adverse action prior to the expiration of the shortened accreditation cycle.

The Department continues to have concerns regarding the agency's practice of granting initial accreditation for programs that appear to be "progressing toward accreditation," or are in a "preaccreditation" status. While the Department recognizes the important program improvement function that accrediting agencies fulfill, the Department defines the concept that accreditation is granted when a program is in full compliance with the agency's standards in accord with the Department's definition of "accreditation" under section 602.3; thereby, ensuring programs come into compliance with the agency's standards prior to the grant of initial accreditation. The agency must either cease its policy and practice of granting initial accreditation short of full compliance with the agency's standards, or use a "preaccreditation" status for those programs that are "progressing toward accreditation."

(b) If the institution or program does not bring itself into compliance within the specified period, the agency must take immediate adverse action unless the agency, for good cause, extends the period for achieving compliance.

The agency's policy for applying good cause extensions defers to the discretion of the Accreditation Council. The agency has described its practice of applying good cause extensions in its narrative and has even provided criteria under which good cause extensions are applied. It is not clear why the agency has not conformed its practice of applying good cause extensions into its policy. As stated in the agency's narrative, it has applied good cause extensions three times in the past five years.

The agency has provided examples of its application of enforcement action. However, as stated in the previous section, it appears that the program exceeded the two-year timeline before the agency applied an adverse action. In example 174, it appears that the agency applied the two-year timeline from the date of the decision letter for the first-year progress report (November 2, 2009), and not at the time of the site visit (presumably November 2008). The agency's final decision letter withdrawing accreditation occurred on November 7, 2011, exceeding the two-year timeline. More information is needed regarding the agency's application of enforcement action.

Analyst Remarks to Response:

The agency has provided its policy that states that good cause extensions may be granted if a program has demonstrated good cause and has a plan to address unmet criteria that can be accomplished within 12 months.

The agency has pointed out that the change to applying the enforcement timelines at the time of the site visit and not the decision letter was recent, and therefore, the example provided may have been prior to this change. It should be noted that this change in policy is not required under the Secretary's criteria. However, the agency has not addressed what appears to be a violation of the enforcement action provision in that it exceeded the two-year time frame from the time the accreditation decision letter was issued to the program to the actual withdrawal of accreditation. In the example provided, the time line was not applied until the decision letter for the first progress report. More information is needed regarding the agency's application of enforcement action.

§602.25 Due process

(f) Provides an opportunity, upon written request of an institution or program, for the institution or program to appeal any adverse action prior to the action becoming final.

(1) The appeal must take place at a hearing before an appeals panel that--

(i) May not include current members of the agency's decision-making body that took the initial adverse action;

(ii) Is subject to a conflict of interest policy;

(iii) Does not serve only an advisory or procedural role, and has and uses the authority to make the following decisions: to affirm, amend, or reverse adverse actions of the original decision-making body; and

(iv) Affirms, amends, reverses, or remands the adverse action. A decision to affirm, amend, or reverse the adverse action is implemented by the appeals panel or by the original decision-making body, at the agency's option. In a decision to remand the adverse action to the original decision-making body for further consideration, the appeals panel must identify specific issues that the original decision-making body must address. In a decision that is implemented by or remanded to the original decision-making body, that body must act in a manner consistent with the appeals panel's decisions or instructions.

(2) The agency must recognize the right of the institution or program to employ counsel to represent the institution or program during its appeal, including to make any presentation that the agency permits the institution or program to make on its own during the appeal.

The agency's appeal process follows a first-level "reconsideration" review when the Board upholds an adverse decision. A 3-member independent appeal panel is constituted to include one appointment by the appellate program, one appointment by the Chair of the Accreditation Council of an individual who is not a current member of the Council, and a third-member mutually agreed upon by the Board and the appellate program. It is not clear whether the agency's appeal process precludes a member of the original decision-making body serving on the appeal panel. As evidenced by the agency's conflict of interest policy (Ex. 44), the appeal panel is subject to the agency's conflict of interest policy. Though it is clear that the appeal panel forwards its decision to the Board for final action, it is not clear whether the appeal panel retains the authority outlined under (iii) and (iv) of this section.

Furthermore, while nothing in the agency's policy precludes a program from representation by an attorney, there is no written policy that recognizes the right of a program to employ counsel to represent the program during an appeal. As noted under 602.15(a)(5), the appeals body needs to include a public

representative.

The agency has not had occasion to apply its policy on appeals since this section was amended.

Analyst Remarks to Response:

The agency has provided a revised policy that ensures that the appeal panel retains the authority required under this section. The agency states that it will provide an amended policy that recognizes the right of a program to employ counsel to represent the program during an appeal, and ensure that a public representative is represented on the appeal panel. The agency must also ensure that it has educators and practitioners represented on its appeal panel in accord with requirements for a decision-making body, and modify its appeals policy to incorporate these compositional requirements.

§602.26 Notification of accrediting decisions

The agency must demonstrate that it has established and follows written procedures requiring it to provide written notice of its accrediting decisions to the Secretary, the appropriate State licensing or authorizing agency, the appropriate accrediting agencies, and the public. The agency meets this requirement if the agency, following its written procedures--

((d) For any decision listed in paragraph (b)(2) of this section, makes available to the Secretary, the appropriate State licensing or authorizing agency, and the public, no later than 60 days after the decision, a brief statement summarizing the reasons for the agency's decision and the official comments that the affected institution or program may wish to make with regard to that decision, or evidence that the affected institution has been offered the opportunity to provide official comment; and

The agency must amend its policy on providing a brief summary within sixty days to ensure that it includes the official comments that the affected program may wish to make with regard to that decision, or evidence that the affected program has been offered the opportunity to provide official comment. The agency must also provide evidence of its application of the policy.

Analyst Remarks to Response:

The agency states that it will provide a final policy that conforms with the requirements of this section which were amended in 2010. The example that the agency provided appears to be a voluntary withdrawal and does not apply to this section.

PART III: THIRD PARTY COMMENTS

The Department did not receive any written third-party comments regarding this agency.